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Oceans and the law of the sea

Letter dated 20 October 2004 from the Permanent Representative of Bolivia to the United Nations addressed to the Secretary-General

I have the honour to transmit herewith the Declaration on the Centennial of the 1904 Treaty of the Ministry of Foreign Affairs and Worship of Bolivia (see annex).

On 20 October 2004, we will commemorate the centennial of the signing of the Treaty imposed upon Bolivia by Chile following the 1879 War of the Pacific.

I would therefore be grateful if you would have this letter and its annex circulated as a document of the General Assembly at its fifty-ninth session under agenda item 49, "Oceans and the Law of the Sea", which will be discussed in a plenary meeting on 16 November 2004.

(*Signed*) Ernesto Araníbar **Quiroga**
Ambassador
Permanent Representative

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Annex to the letter dated 20 October 2004 from the Permanent Representative of Bolivia to the United Nations, addressed to the Secretary-General

Declaration on the Centennial of the 1904 Treaty

Ministry of Foreign Affairs and Worship of Bolivia

The War of the Pacific ended when the Government of Chile imposed a truce agreement upon Bolivia in April 1884. This agreement formally suspended hostilities and, in fact, served as the basis for the unilateral annexation by Chile of the Bolivian coastline. The note-ultimatum from the Chilean Minister Abraham Köning laid the foundation for the Treaty of 20 October 1904, which led to the loss of 120,000 square kilometres of Bolivian territory, including 400 kilometres of coastline, four ports and seven coves. Thereafter, the natural wealth of the Bolivian territory occupied during the conflict — guano, saltpetre and copper — served to sustain the development of the Chilean economy.

Although Chile granted a free-transit regime to Bolivia and permitted the construction of the railway between Arica and La Paz, the signing of the 1904 Treaty had a negative political and economic impact on Bolivia. The Treaty brought about Bolivia's landlocked status, restricted its development, obstructed its trade and represented a threat to its national security because the country's outlets to the sea remained under the control of its neighbour.

Since Chile subjected Bolivia to geographical isolation, 125 years have passed. Nonetheless, after all these years, the recovery of our Pacific coastline has become a permanent goal, one that Bolivia cannot disown. Since the end of the conflict, the issue of access to the sea has remained on the diplomatic agenda with Chile. It has also been present in our relations with Peru, and has gradually become incorporated into the agenda governing relations with the other countries which make up the international community.

Thus, the search for a solution to the geographical isolation of Bolivia has been recognized as a matter of permanent interest to the Organization of American States (OAS), as was expressed in the 1975 declaration by its Permanent Council and various resolutions of its General Assembly from 1979 onwards.

The harm which the 1904 Treaty has caused and is still causing to Bolivia is enormous, and the signing of that agreement has led to even greater economic damage. In macroeconomic terms, the impact of the country's landlocked status on its growth is estimated to be a loss of 0.7 per cent of GDP per year. Among the economic costs is the expenditure incurred by importers and exporters of goods by means of the trade route via Chilean ports and territory. There has also been significant damage in terms of maritime resources, because Bolivia, in losing its coastline, has been deprived of the wealth of fisheries and the ocean's other resources.

Consequently, an armed conflict in the 19th century had, and still has, major consequences by holding back Bolivia's economic and social development.

Commemorating the centennial of the signing of the 1904 Treaty is a source of great frustration in Bolivia. The Treaty was not the outcome of an equitable negotiation leading to a feeling of justice, but something imposed by force.

For Bolivia, seeking a useful and sovereign outlet to the sea is not an incidental or sporadic initiative but a patient and constant effort. The international community should be aware that Bolivia and Chile held negotiations on the issue of access to the sea in 1895, 1920, 1926, 1950, 1975 and 1987. Regrettably, those diplomatic endeavours repeatedly resulted in incomplete arrangements and failed processes.

In a series of bilateral meetings and multilateral forums, the Government of Chile has consistently made declarations concerning the inviolability of treaties, and of the 1904 Treaty in particular. Such statements have been repeated when the subject of access to the sea has been discussed, but they are not necessarily correct when it comes to the free-transit regime and the facilities supposedly provided to Bolivia's external trade. The transit of goods to and from Bolivia through Chilean ports and territory, as provided for in the 1904 Treaty, has never been "open and unrestricted" as the Government of Chile has stated. It is subject to a number of limitations and it is subject to Chile's political ups and downs, and this obstructs Bolivia's trade, subjecting it to constant rate increases and even to strikes and obstructions by various labour sectors. In that regard, the Chilean Government's policy of privatizing the ports of Antofagasta and Arica has had a negative impact on bilateral agreements which recognize the presence in Chilean ports of agencies of the Bolivian State, on the *intuitu personae* nature of the responsibilities of the Chilean State, and on Bolivian free-transit rights.

A century after the signing of the 1904 Treaty, the privatization of the port of Arica is harmful to the free-transit regime because the administration of that regime may not be delegated to third parties under any circumstances or on the basis of any legal provision. Furthermore, the monopolistic, sole-operator system which has been imposed in Arica without consulting Bolivia, which owns the cargo, has already begun to harm Bolivia's external trade because it has led to an exorbitant increase in the cost of port services, constituting an additional source of friction between the two States.

Despite Bolivia's constant appeals for the maintenance of an open and unconditional dialogue with the Government of Chile, it has not met with the positive response which would be appropriate in modern times. Nonetheless, aside from ephemeral political events, southern Peru, northern Chile and Bolivia have common historical and geopolitical realities and are economically complementary. However, neither integration processes nor the realization of transport and energy corridors will take place until Bolivia and Chile finally resolve the maritime-access issue.

Bolivia's claim is supported by justice, ethics and history. In that sense, the diplomacy and hemispheric understanding which are expressed in OAS resolutions are the factors which will make it possible for this continental problem to be resolved.

The absence of diplomatic relations between the two countries is one way in which Bolivia demonstrates to the international community the injustice of its confinement.

Despite all the above, and in the spirit of integration which should predominate in this new millennium, the Government of Bolivia once again invites the Government of Chile to reopen discussions within the framework approved by both countries at the Algarve meeting in 2000.

La Paz, 20 October 2004

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Advancement of women

Human resources management

Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations

Human resources management

Report of the Advisory Committee on Administrative and Budgetary Questions

I. Introduction

1. The Advisory Committee on Administrative and Budgetary Questions has considered the following reports of the Secretary-General on human resources management:

(a) Human resources management reform (A/59/263);

(b) Contractual arrangements (A/59/263/Add.1);

(c) Improving gender distribution in the Secretariat (A/59/263/Add.2);

(d) Measures to prevent discrimination on the basis of nationality, race, gender, religion, or language in the United Nations (A/59/211);

(e) Amendments to the staff rules (A/59/213 and Add.1);

(f) Consultants and individual contractors (A/59/217);

(g) Employment of retired former staff (A/59/222);

(h) Comprehensive report on the staffing for field missions, including the use of 300 and 100 series appointments (A/59/291);

(i) Improvement of equitable geographical representation in the United Nations Secretariat (A/59/264);

(j) Improvement of the status of women in the United Nations system (A/59/357).

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The Committee also had before it the reports of the Office of Internal Oversight Services on the impact of the human resources management reform (A/59/253) and the availability in local labour markets of the skills for which international recruitment for the General Service category takes place (A/59/388) and a note by the Secretary-General transmitting a document submitted by the staff unions and associations of the United Nations Secretariat setting out the views of the staff representatives of the United Nations Secretariat on human resources management (A/C.5/59/4). During its consideration of the reports, the Committee met with representatives of the Secretary-General and the Staff Committee, who provided additional information.

II. General considerations

2. The report of the Secretary-General on human resources management reform (A/59/263 and Add.1 and 2) was submitted in response to the request of the General Assembly in section II of its resolution 57/305 of 15 April 2003 that the Secretary-General report in a comprehensive manner on the achievements of the human resources management reform, when sufficient information was available on the experiences of the Secretariat with the implementation of the reform initiatives as implemented within the prerogative of the Secretary-General or as approved by the General Assembly. In the same resolution, the Assembly requested the Secretary-General to conduct a study, through the Office of Internal Oversight Services, on the impact of human resources management reform and to report thereon to the Assembly at its fifty-ninth session; that report is contained in document A/59/253.

3. **It has been emphasized to the Advisory Committee by the Secretariat that the process of human resources management reform involves a change in culture, and that such change takes time. The Committee is fully aware of the difficulties involved in meeting this challenge. In the opinion of the Committee, it is proper, at this point, to analyse, on the basis of experience gained thus far, what has been achieved, what has not worked and why, and what must be refined or improved to expedite the process and achieve further success. It is also important to strengthen the accountability framework for the achievement of results.**

4. **It should be kept in mind that the Office of Human Resources Management is a service to support managers in carrying out the substantive work of the Organization. Personnel policy should facilitate the effective utilization of the resources of the Organization. The goal should be the placement, based on merit, of qualified personnel where needed as expeditiously as possible and the encouragement of staff and career development so that the Organization can achieve the maximum benefit from its human resources. Further reform should take into account the foregoing.**

5. **It is essential for the officials charged with the development and implementation of personnel policy to seek out and learn more from the actual experience of both managers and staff involved in the substantive work of the Organization. In pursuing reform of personnel management, the practical effect of policies in this area on the work of the Organization must be assessed and used as the basis for further action.**

6. **Against this background, the Advisory Committee considers the report of the Secretary-General on human resources management reform to be rather general and lacking in analysis, particularly with regard to progress achieved in implementation, problems encountered and measures planned to redress them.**

7. **The question of compliance, referred to above, is one example. There must be an efficient and effective means to ensure proper performance and accountability for poor results.** The Committee notes that despite the General Assembly's request that the Secretary-General continue to improve accountability and responsibility in the reform of human resources management, as well as the monitoring and control mechanisms, and its request that the Secretary-General report on a biennial basis on the matter (see Assembly resolutions 57/305, sect. III, and 55/258, sect. VII), there is little concrete information in the report concerning measures taken to ensure accountability or difficulties encountered in implementing the new system.

8. The Advisory Committee was informed upon enquiry that the Office of Human Resources Management can provide guidance where it identifies problems with compliance; however, it is the Committee's understanding that the Office sometimes experiences considerable difficulties in exercising authority to rectify problems. In this connection, the Committee notes that the General Assembly, in its resolution 57/305, reaffirmed the role, authority and responsibility of the Office of Human Resources Management in establishing human resources policies and guidelines as well as in ensuring compliance with recruitment, placement and career development procedures throughout the Secretariat. **It does not appear to the Committee that enough attention has been given to setting criteria to monitor the quality of decisions made by programme managers rather than merely quantifying mechanical adherence to procedures as measured by raw statistics. Moreover, in finding a way to deal effectively with irregularities or non-compliance with the requirements of the new system there first must be recognition by all concerned that such requirements are realistic and will help to enhance the ability of managers and staff to carry out the work of the Organization (see para. 4 above).**

9. **In this connection, the Advisory Committee stresses the importance of monitoring, and recalls that the General Assembly, in section IV, paragraph 1, of its resolution 57/305, endorsed the development of a "more robust monitoring capacity in the Office of Human Resources Management".** The Committee notes the statement in paragraph 166 of the report that human resources monitoring is linked to the human resources action plans and that progress made towards the achievement of established human resources targets is tracked and evaluated on a six-monthly basis by the Office and the departments involved. Upon request, the Committee was provided with a sample monitoring template and a sample human resources action plan. These documents should be provided to the Fifth Committee for its consideration of the item on human resources management. **The Committee trusts that these standardized forms will streamline the reporting process and make it more effective, thus enhancing the ability of managers to carry out their programmes of work.**

10. **The Advisory Committee is of the opinion that such broad reforms as are planned for human resources management must be accompanied by close**

cooperation and consultation between staff and management; without this, the reforms are unlikely to succeed. It is the impression of the Committee that staff/management relations have, to some degree, broken down over the issue of human resources management reform, leading to frustration and confrontation. The Committee encourages the Secretary-General and the Office of Human Resources Management in their efforts to take a fresh look at ways to involve staff meaningfully so as to take into account their concerns in implementing reform. The Committee trusts that management and staff will both make concerted efforts to work together constructively in the best interest of the Organization. Reform should be a participatory process involving all users and must be flexible enough to change in the light of experience.

11. The Advisory Committee held an extensive exchange of views with the representatives of the Secretary-General on a wide range of personnel matters. Many of the Committee's concerns, including those mentioned above, have been made known to the representatives of the Secretary-General. In the present report, the Committee will therefore concentrate on making recommendations in those areas on which the General Assembly is requested to take decisions. These include: the staff selection process, the competitive examination for recruitment to the Professional category of staff members from other categories; and contractual arrangements, including the use of 300 and 100 series appointments in the staffing for field missions. The Committee also makes observations on a number of other issues, including mobility, the employment of retirees, consultants and contractors and improving gender balance and equitable geographical representation in the Secretariat.

III. Staff selection

12. The Advisory Committee notes and welcomes the progress achieved in reducing the average time required for selection (from the day that a vacancy announcement began to be composed to the day when a selection decision is made by the head of department) from 275 days in 1999 to 174 days at present (see A/59/263, para. 58, and A/55/397, para. 35). These figures do not, however, include the time it takes from selection to the placement of the candidate in the post. **The Committee understands that the factors affecting that time period lie somewhat outside the influence of the Office of Human Resources Management; nevertheless, such information is relevant to efforts to reduce the time for filling vacancies, and the Committee requests that an attempt be made to quantify statistics on the length of the placement process. In this way there will be a basis for analysing and correcting any problems that are revealed.**

13. The Advisory Committee finds the section of the report dealing with staff selection lacking in qualitative analysis. For example, such general statements as "two years of implementation and feedback from users of the system have revealed its strengths and also highlighted certain areas that need further adjustments" (A/59/263, para. 46), with few details concerning what the strengths and weaknesses might be, does not constitute analysis. Indeed, much of the text is dedicated to explaining the system, with a long subsection dedicated to how the central review bodies are supposed to function. A little more candour concerning problems encountered and proposals for dealing with them would have made for a more useful report. The Office of Internal Oversight Services has made a number of

observations and recommendations on staff selection and the central review bodies (see A/59/253, paras. 5-41 and 91-108).

14. The Advisory Committee notes that the Office of Human Resources Management continues to struggle with the enormous increase in the number of applications received per vacancy since the introduction of Galaxy. This is not a new problem; the Committee has been informed on several occasions that efforts were under way to provide for electronic screening of applicants[1] and the report of the Secretary-General speaks of future "automatic eligibility tagging" (A/59/263, para. 68). ***The Committee regrets that more progress has not been made in this regard, and it emphasizes once again that unless such problems are resolved, the effectiveness of Galaxy will be compromised and the cost-effectiveness of its future use will be called into question.[2] In this connection, the Committee trusts that the criteria used for the screening process and subsequent compilation of shortlists will be clear and transparent to all.***

15. On the recommendation of the Office of Internal Oversight Services (A/59/253, para. 103), the Secretary-General proposes reducing the number of days required for advertising a vacancy from 60 to 45 (A/59/263, para. 58), in the interest of further shortening the time required to make a selection. As noted by the Office, the vast majority of candidates apply either within the first 45 days or just before the deadline. The Office concludes that the advertising period could be reduced by 15 days without significantly diminishing opportunities (A/59/253, para. 29). The Committee points out, however, that in a number of Member States it would be quite difficult to participate in a recruitment exercise through electronic means. ***The Committee therefore recommends approval of this proposal, with the understanding that measures will be taken to ensure that Member States can opt to continue to receive paper copies of vacancy announcements, which should be provided by the time the electronic vacancy announcement appears. In view of the persistent gap between staff from overrepresented Member States and those who are from underrepresented or non-represented Member States (see para. 66 below), the Committee expects the widest possible timely circulation of vacancy announcements so as to maximize the effort to attract qualified personnel from non-represented or underrepresented countries. Other measures must also be taken to speed up the processing of applications*** (some of these are referred in paras. 16 and 18 below).

16. The Advisory Committee also stresses the importance of speedy implementation of the roster management module in Galaxy. Under the staff selection system, candidates who have been endorsed by a central review body but not selected for the post may be placed on a roster, which is valid for one year, for future vacancies with similar functions at the same level. Should an eligible roster candidate be suitable for a vacancy, the programme manager may recommend his or her immediate selection without reference to the central review body (ST/AI/2002/4, para. 7.8). **The Committee is of the opinion that effective management of such a roster, including automatic electronic notification of programme managers concerning eligible roster candidates, could provide a means for shortening the recruitment timeline.**

17. Upon request, the Advisory Committee was provided with a timeline for filling of vacancies (see annex I to the present report). It would appear to the Committee that this is a "best case" scenario. Moreover, the Committee notes that some details

are omitted from the timeline, which would seem to be of relevance to the amount of time the selection process takes. For example, the Committee was informed, upon enquiry, that the programme manager is required to submit to the central review bodies an evaluation of each candidate proposed. The Committee understands, however, that as matter of practice, in order to avoid additional steps involving requests for information by the central review body, many programme managers find themselves providing written justifications as to why they did not interview candidates deemed eligible by the Office of Human Resources Management. In its report, the Office of Internal Oversight Services deals extensively with matters relating to staff selection and the central review bodies (see A/59/253, paras. 5-41 and 91-108). **The Committee emphasizes that the selection process must be transparent.**

18. The Advisory Committee notes the statement in paragraph 58 of the Secretary-General's report (A/59/263) that efforts will be made to reduce the time taken by managers in evaluating applications and by human resources officers in determining applicant eligibility. **The Advisory Committee is encouraged by this statement and expects to see positive results from these efforts, which should take into account the experience of the users of the system, namely, programme managers and applicants (both internal and those who have succeeded as external candidates).**

19. Succession planning is also relevant to the filling of vacancies. The Committee recalls its statement in its first report on the programme budget for the biennium 2004-2005 that "since scheduled retirements are known well in advance, it should be possible to begin the process of analysing the continuing need for and placement and level of the post to be vacated and to initiate recruitment procedures, if called for, well in advance of the date on which the post is projected to be vacant".[3] **Although there are procedures in place for succession planning, in the opinion of the Advisory Committee, not enough is being done effectively to encourage, indeed to require, programme managers to initiate the process for filling vacancies in a timely manner and thus reduce the long period that posts remain vacant. For internal candidates, improvement must also be made in the coordination that is necessary to ensure the timely release of the successful candidate to his or her new function.**

IV. Examination for recruitment from the General Service to the Professional category and national competitive recruitment examination

20. Section IV.A of the report of the Secretary-General (A/59/263) addresses the request of the General Assembly in paragraph 39 of its resolution 57/300 of 20 December 2002, that the Secretary-General submit a study on ways to promote General Service staff to Professional posts, analysing the effects on non-represented and underrepresented countries, while ensuring the implementation of equitable geographic representation and aligning the procedures and qualifications of the General Service to Professional category examinations to those of the national competitive recruitment examinations.

21. As indicated in the report of the Secretary-General, senior General Service staff throughout the system are increasingly having greater and more varied and

complex tasks delegated to them, as managers seek to cope with fewer resources and expanded challenges; yet, since the post pyramid narrows sharply at the top of the General Service category (see annex II), opportunities for advancement are limited (see A/59/263, para. 149). **The Advisory Committee trusts that ways can be found to balance the concerns of non-represented and underrepresented Member States with the need to uphold staff morale and afford people with long experience and obvious talent a means to make a greater contribution to the Organization.**

22. Under the terms of Section IV, paragraph 17, of General Assembly resolution 55/258, the annual quota of posts selected for the G to P examination for promotion from General Service to Professional category is set at up to 10 per cent of the number of staff, other than language staff, that were recruited during the previous calendar year at the junior Professional level (P-1/P-2) after passing a competitive examination. In his report, the Secretary-General proposes raising the percentage to 25. Upon enquiry as to the number of posts involved, the Committee was informed that for 2001-2004 the number of staff recruited each year after passing a competitive exam ranged between 60 and 70. The Committee was further informed that for 2005, 10 per cent would translate into about 6 or 7 posts and that 25 per cent would amount to 16 or 17 posts eligible for the G to P examination.

23. **The Advisory Committee believes that the issue of the percentage of posts to be reserved for the G to P examination is a matter of policy to be determined by the General Assembly. However, the Committee notes that the limited number of posts under discussion points to a larger problem, namely, the very small number of entry level (P-1/P-2) Professional posts in the Secretariat. The issue of redressing the imbalance in the grading pyramid will first need to be addressed if the goals of rejuvenation of the Secretariat and realizing the legitimate aspirations of the General Service staff are both to be achieved.**

24. The Secretary-General also proposes the establishment of a three-year roster of successful candidates who could not be placed because of the limited number of posts available. Such candidates, while not eligible to apply for posts subject to geographic distribution, would be entitled to apply for non-geographical Professional posts in the Secretariat. **The Advisory Committee notes this proposal with interest.** It was informed that successful national competitive examination candidates are often reluctant to take up posts outside headquarters duty stations. On the other hand, according to the Secretariat, experience has shown that successful G to P candidates accept offers of posts without precondition. **The G to P roster might therefore be used to help fill posts at duty stations with chronically high vacancy rates; this would also help partially to relieve the current imbalance by providing an increased number of recruits at the entry (P-1/P-2) level.**

25. The Advisory Committee notes that for most of the national competitive examinations, it takes nearly a year to place successful candidates on the roster from the time of convening the exam. The Committee was informed, in this connection, that for a number of examinations the process for 2004 was far from completion, although the examinations were held in February. The Committee also notes that the marking of examination papers is done by staff members who volunteer to serve on the examination boards, often working in the evenings and on weekends, in addition to their regular functions (see A/59/263, paras. 64 and 65). **The Committee calls upon the Secretariat to review the efficacy of this procedure.**

V. Contractual arrangements

26. In response to General Assembly resolutions 55/258 and 57/305, the Secretary-General has submitted his definitive proposal on new contractual arrangements, spelling out the differences between existing and proposed types of appointments (A/59/263/Add.1). The proposal involves simplifying contractual arrangements at the United Nations so that they would consist of only three types of appointments, namely: short-term (up to a maximum of six months) to meet peak workload and specific short-term requirements; fixed-term (renewable up to a maximum of five years); and continuing, to be granted to staff members who had served on fixed-term contracts for five years and met the highest standards of efficiency, competency and integrity. Continuing appointments could be terminated on the same grounds as permanent contracts, but could also be terminated "in the interest of the Organization"(A/59/263/Add.1, para. 4 (c)).

27. Probationary and permanent appointments would no longer be used; however, there would be no change in the contractual status of staff who currently had permanent appointments; staff already serving on a probationary appointment would retain the right to be considered for a permanent appointment; and a one-time review would be conducted of all fixed-term staff appointed under the 100 series of the Staff Rules who would have been eligible to be considered for conversion to permanent appointment if not for the freeze imposed on such conversions. The Advisory Committee was informed that approximately 500 staff would be eligible for consideration for conversion to permanent appointment. **Should the General Assembly approve the proposed changes to contractual arrangements, care should be taken to handle the interim arrangements in an equitable manner that is sensitive to the need to maintain staff morale; that is to say, measures should be in place to ensure the application of objective criteria in considering conversions of probationary and fixed-term contracts into permanent appointments for eligible staff. The Committee welcomes the intention of the Secretariat to ensure that all options for placing staff will be considered carefully before termination is decided upon.**

VI. Use of 300 and 100 series appointments in the staffing of field missions

28. The report of the Secretary-General (A/59/291) was submitted in response to the request of the General Assembly in paragraph 1 of its resolution 58/296 of 18 June 2004 for a comprehensive report addressing the strategy of the Organization for meeting current and future human resources requirements for peacekeeping missions, taking into account the observations and recommendations of the Advisory Committee in its report on the administrative and budgetary aspects of the financing of peacekeeping operations (see A/58/759, paras. 35-41).

29. **The Advisory Committee notes that the Secretariat, in its report, has attempted to address most of the concerns and the observations expressed by the Committee in its report in document A/58/759.**

30. The report of the Secretary-General proposes to use the 100 series of the Staff Rules for the appointment of staff in field missions for periods of six months or longer, when there is a continuing requirement. This is explained against the

background of a number of developments, including an increased reliance, since the early 1990s, on United Nations missions to maintain peace agreements, the acknowledgement that missions are longer than originally estimated when the 300 series appointments were created, the need increasingly to act under Chapter VII of the Charter of the United Nations in deploying and sometimes expanding missions, the multifaceted integrated approach that has evolved with regard to peacekeeping missions, and the increasingly hostile environment in which the United Nations has to conduct its operations. To respond, the Department of Peacekeeping Operations is trying to develop a cadre of highly mobile, experienced, trained and multi-skilled civilian peacekeepers in a variety of occupational fields. According to the report of the Secretary-General, this requires "strengthened human resources structures and policies, including equitable contracts and updated conditions of service that facilitate, rather than impede, the interest, recruitment and retention of qualified staff" (A/59/291, para. 15).

31. The human resources strategy envisaged to achieve the objectives of the Department of Peacekeeping Operations is described in paragraphs 16-38 of the Secretary-General's report (A/59/291). Proposals for the 300 series are presented in paragraphs 39-63 of the report. **The Committee was informed that only existing mechanisms (i.e., the 200 and 300 series) were considered. The Committee would have welcomed greater recognition of the fact that the needs of staff and of the Organization in peacekeeping operations are quite different from regular budget activities and most extrabudgetary activities.**

32. **Moreover, despite the reference in the Secretary-General's report to the need for updated conditions of service, the Committee is not satisfied with the treatment of conditions of service of staff in the field, where there are significant differences between those provided for the United Nations staff and those of funds and programmes.** According to the proposals of the Secretary-General made in recent reports in peacekeeping operations, the second Deputy Special Representative of the Secretary-General (humanitarian and development coordination) is usually the resident representative of the United Nations Development Programme (UNDP), ensuring an integrated and coordinated approach to the mission. This would mean that his staff would be working, in many cases, side by side with field staff employed by the Department of Peacekeeping Operations in the mission. **Current proposals do not address the inequities that would exist with two different sets of conditions for staff performing similar functions in the same office.**

33. The Advisory Committee notes the information provided with regard to the review undertaken by the inter-agency working group established in response to Action 25 of the report of the Secretary-General on strengthening of the United Nations to look into ways of harmonizing the conditions of service of staff in the field with those of the agencies, funds and programmes (A/59/291, paras. 32-37).

34. In this connection, the Advisory Committee was informed that the special operations approach described in paragraph 36 of the report, is applied by UNDP, United Nations Children's Fund (UNICEF), the United Nations Population Fund (UNFPA), United Nations Office for Project Services (UNOPS), and the Office of the United Nations High Commissioner for Refugees (UNHCR), for staff assigned to duty stations classified as non-family locations for security reasons. Moreover, the World Food Programme (WFP) has approved the approach and is in the process

of implementing it, and offices with small field-based operations such as the Office for the Coordination of Humanitarian Affairs (OCHA) and the United Nations Human Settlements Programme (UN-HABITAT) are considering applying it as well. A comparison of the special operations approach compensation package with that of staff of the Department of Peacekeeping Operations staff in the field is attached as annex III to the present report. As can be seen from the annex, existing inequities are clearly evident.

35. However, adoption of this approach by the United Nations is declared undesirable for operational and administrative reasons, in view of greater number of staff of the DPKO in the field, as well as its higher mobility rate, compared with that of the agencies, funds and programmes. The Secretariat indicates nevertheless that it wishes to explore other means to ensure comparability of conditions of service in recognizing, for example, the need for staff in non-family missions to maintain a separate residence for their family members (see A/59/291, para. 37). **In the opinion of the Advisory Committee, the disparity of conditions of service in the field is a matter of great importance affecting not only the morale of serving staff but also the ability of the Organization to attract and retain the most experienced and skilled staff. The common system approach in this area should be referred, as a matter of urgency, to the International Civil Service Commission.**

36. In this connection, the Advisory Committee notes the statement in paragraph 37 of the report regarding the fact that the proposed use of the 100 series for the majority of field staff appointments, with the exception of those recruited for short-term activities of less than six months, would only represent a "first step towards improving equity in the conditions of service among field staff". **The Advisory Committee trusts that concrete proposals will be made in this regard** (see para. 51 below).

37. Paragraphs 52 and 53 and table 1 of the annex to the Secretary-General's report indicate that the Department of Peacekeeping Operations employed a total of 11,606 civilian staff in peacekeeping missions as of 30 June 2004. Of the 3,921 international staff employed, 1,535 were staff members engaged under appointments of limited duration; of the 7,685 locally recruited staff, 4,547 held appointments of limited duration. The Advisory Committee notes that 1,085 international staff were transferred from the 300 series to 100 series appointments between June 1999 and June 2004 (of that total, 885 remained and 200 had separated from service). Such transfers after the fourth year of service have been suspended, however, in accordance with General Assembly resolution 58/296.

38. The Advisory Committee notes that the proposed contractual arrangements for field staff would be consistent with the Secretary-General's proposals on contractual arrangements, as contained in his report on human resources management reform (A/59/263/Add.1), with the proviso that should a mission close, the obligation of the Organization to the staff member's employment would end.

39. That being said, the Advisory Committee was informed that the proposed use of 100 series fixed-term appointments in field missions could be de-linked from the Secretary-General's reform initiatives. Moreover, if the continuing appointment was not approved by the General Assembly, or it was decided that it would not be applied to the field, staff would continue to be employed under the 100 series fixed-term appointments.

40. The financial implications of the proposed conversion of international staff members currently engaged under appointments of limited duration (300 series) to 100 series is addressed in section VI of the Secretary-General's report (A/59/291), but this requires clarification. The projected financial implication of reappointing 1,535 staff members is estimated at $16.5 million. The Advisory Committee was informed that that estimate was the maximum additional cost if all 1,535 staff were reappointed under the 100 series, at the current time, as compared to the status quo. However, the Committee notes that an individual review would be undertaken of each of the 1,535 staff, to determine whether they meet the three basic requirements, namely, a global need for their skills and expertise, a continuing need for their services in the mission and a satisfactory record of performance, which could decrease the number of reappointments. The Committee was informed that the review would be conducted in a phased manner on the basis of seniority in service, beginning with those who had reached their fourth year on appointments of limited duration by the end of December 2004, and proceeding as rapidly as possible until all eligible staff had been considered for conversion.

41. Another way to implement the conversion would be to do it in a phased manner, converting only staff who reach the four-year limit, instead of the across-the-board conversion now proposed. The Advisory Committee enquired as to the cost of such phased conversion. The information provided is attached as annex IV. A decision would be required on how to proceed with the appointment of new field staff.

42. As to the conversion of 4,547 national staff members, the Advisory Committee notes that the financial impact is described as "insignificant", since the compensation package related to this category of staff is similar under both the 300 and 100 series. The Committee was informed that the only elements affected were dependency allowance, salary increments, and higher pensionable remuneration, but since the salaries were paid in local currency, the difference converted into the United States dollar was not considered to have a significant impact. The Committee regrets that the issue of national staff was not further elaborated in the report. For example, the Committee has frequently called for greater use to be made of national staff and for greater collaboration among missions in the same region; would it be feasible to consider use of the staff outside the mission for which they were recruited, but in another mission in the same region?

43. **The Advisory Committee expresses concern at the fact that there is no mention of possible long-term liabilities such as after-service health insurance and pension benefits, as a result of the conversion, or of the additional costs for hiring future staff in the 100 series.** A comparison of entitlements of international mission personnel on 100 and 300 series is contained in table 6 of the annex to the Secretary-General's report. Information received, upon request, comparing the staff costs for a P-4 level staff member under a 100 and 300 series appointment is also provided as annex V to the present report. However, the Committee was informed that it was impossible to indicate the magnitude of the impact at the current stage.

44. Moreover, staff members under the 300 series appointments are already participants in the United Nations Joint Staff Pension Fund, but would become vested in the Fund only after five years of participation (A/59/291, annex, table 6). As to after-service health insurance, there is a possibility of liability once the staff member meets the eligibility criteria. Upon enquiry, the Advisory Committee was

informed that to be eligible for after-service health insurance, a staff member must retire at the age of 55 or more with a monthly pension benefit, and have at least five years of participation in a United Nations health insurance scheme under a 100 or 200 series contract (ST/AI/394). Staff members holding 300 series appointments would not be eligible for after-service health insurance unless they had participated in a United Nations insurance scheme for at least 10 years under a 100 series appointment and had been reappointed under a 300 series contract without a break in service, provided all other conditions were met (ST/AI/2001/2). Furthermore, the period of service under a 300 series of a staff member converted to the 100 series was not counted towards the minimum of five years required to be eligible for after-service health insurance.

45. Section V of the Secretary-General's report provides the historical background for the creation of the 300 series, as well as information regarding the implementation of that type of appointment and its evolution to date. The Advisory Committee enquired as to the possibility of increased administrative work as a result of the proposed conversion. As indicated in paragraphs 47 to 49, the compensation package of the appointments of limited duration was originally designed to be simple to administer. However, changes were gradually introduced by the Secretariat and, as a consequence, it assumed the responsibility for arranging appointments of limited duration staff travel, enhancing the annual and maternity leave entitlements, and providing a family element in the service allowance to allow appointments of limited duration staff and eligible family members insurance coverage and participation in the group's life insurance scheme, thus making it administratively more complex to manage. The same recruitment requirements and procedures are applied equally under both the 100 and 300 series.

46. The Advisory Committee was further informed that the introduction of the Integrated Management Information System (IMIS) in the field should facilitate the administrative work. However, some increase would be expected for the processing of education grant claims, although these were being streamlined with the issuance of administrative instruction ST/AI/2004/2, and training would be provided in field missions in processing such claims so that the function could be delegated to the field.

47. **As can be seen from the concerns expressed in the paragraphs above, while the problems and challenges faced are very well articulated in the Secretary-General's report, the solution proposed still raises a number of questions. The Advisory Committee has previously pointed out that the question of the re-configuration of the staff regulations is a matter for which a policy decision by the General Assembly is required (see A/37/675). In order to provide assistance for an informed discussion, the Committee submits the following options.**

Option 1

48. **The General Assembly could endorse the Secretary-General's proposal (A/59/291, section VII), to use the 100 series of the Staff Rules for the appointment of staff in field missions for periods of six months or longer, for functions for which there is a continuing requirement. Such a course of action would recognize that many staff had already been converted, as mentioned in paragraph 37 above, and would have the advantage of speed.**

49. **However, it should be pointed out that such a conversion would require adjustments and refinements as it is being implemented since, in the opinion of the Committee, the wholesale incorporation into the 100 series will inevitably lead to complications that have not yet been foreseen. Among these, for example, are the lack of transparency that would result from attempting to cover a wide variety of different categories of staff (national, mission-specific international, international) under one set of regulations. In addition, there are other potential complications that may have to be addressed as the new procedures are being implemented, for example, the disparities in conditions of service between United Nations field staff and those of funds and programmes (para. 32 above), the career aspirations of national staff (para. 42 above), and problems that may eventually arise when some 100 series staff are required to reapply at the end of each mission, while others, outposted from Headquarters, are guaranteed reabsorption upon completion of their field assignment.**

50. If this proposal is accepted, great care should be taken to convert only those whose continued service is essential at the mission in which they serve. These staff should have a demonstrated superior ability to meet the requirements for skills and expertise, taking into account the overall needs of the Organization in terms of numbers and skills.

Option 2

51. **The General Assembly could recognize that a piecemeal, ad hoc approach is not appropriate in dealing with such a significant number of staff performing a major activity of the Organization — a total of 6,082 currently holding appointments of limited duration as indicated above. Recognizing that a "one size fits all" approach is not transparent, and may only lead to difficulties in implementation, time should be allowed to develop an innovative and comprehensive system incorporating features of both the present 100 and 300 systems. The new system would also incorporate the further work to be done by the Secretariat on improving equity in the conditions of service among field staff (see para. 35 above) as well as what may emerge from the involvement of the International Civil Service Commission. The financial implications should also be clearly spelled out. This system would thus be uniquely suited to the needs of the field staff supporting peacekeeping operations as well as the requirements of the Organization in this area both now and for the long term.**

52. **Until this has been developed, and subject to the considerations in paragraph 41 above, current arrangements contemplated by the Secretary-General could be applied to currently serving international staff as an interim measure in order to solve the immediate problem of the international staff who are now nearing completion of the four-year ceiling. When a comprehensive system for a "cadre of highly mobile, experienced, trained and multi-skilled civilian peacekeepers in a variety of occupational fields" (see para. 30 above) is developed, proposals could also be put forward as to how it should be referred to.**

VII. Mobility

53. The Advisory Committee notes the information provided in the report of the Secretary-General (A/59/263) concerning efforts to increase mobility in the Secretariat, including implementation of reassignment exercises, both voluntary and mandatory, for junior Professional staff. The Committee notes that of the 100 P-2 staff members reassigned to date, approximately one third were promoted, while the rest moved laterally (ibid., para. 74). The Committee received detailed information on the implementation plan for mobility. This information raised a number of questions with regard to the extent to which planning has been completed to date and the cost of the exercise.

54. **The Advisory Committee welcomes the emphasis placed on promoting the mobility of staff in the P-3 to D-2 levels. The Committee has consistently supported the concept of increased mobility as a means to develop a more flexible and multi-skilled workforce. The Committee recalls that the General Assembly, in section III.D, paragraph 6, of its resolution 51/226, requested the Secretary-General to pursue the development and implementation of the managed reassignment programmes for entry level and other staff as outlined in his report on the implementation of his strategy (A/C.5/51/1, paras. 29-31) and to budget the required posts accordingly.**

55. **The Advisory Committee points out that this is to be a gradual approach (see A/59/263, para. 82), which is consistent with the obligations staff assume when joining the United Nations. Nonetheless, 2007 will mark a qualitative, as well as a quantitative, change in the United Nations reassignment programme. In this connection, the Committee notes that the General Assembly exercises legislative oversight over all personnel matters. The Committee also notes that the Assembly, in section II, paragraph 53 of its resolution 57/305, requested the Secretary-General to closely monitor mobility and to submit proposals to the Assembly for consideration at its fifty-ninth session, in order to solve any problems resulting from increased staff mobility.**

56. **The Advisory Committee requests the Secretary-General, in his next report on human resources management, to continue to report on the concerns raised by the Assembly in its resolutions 51/226, 53/221, 55/258 and 57/305, and to address the financial implications of the reassignment programme. In particular, the Committee points to the considerations expressed in section II, paragraphs 49 and 52, of resolution 57/305 and section V, paragraphs 1 to 8, of resolution 55/258, especially as regards the need to take steps to ensure that mobility will not be used as an instrument of coercion against staff, the need to recognize the difference between movement within a duty station and mobility across duty stations, and the need to ensure that lateral mobility does not negatively affect the continuity and quality of the services required for the implementation of mandated programmes and activities.**

57. **The Advisory Committee also reiterates its view that staff members requested by the Organization to remain on mission assignment, whatever the period of time, should be guaranteed the ability to return to a job in their occupational network and duty station (see A/55/499, para. 14).**

VIII. Consultants

58. In accordance with section V, paragraph 8, of General Assembly resolution 57/305, the Secretary-General has issued a biennial report on consultants and individual contractors within the Secretariat and the regional commissions for 2002-2003 (A/59/217). Implementation of the Integrated Management Information System (IMIS) was completed in all offices away from Headquarters during the course of 2002. IMIS therefore has served as the main source of data for the report.

59. The findings are succinctly summarized in paragraph 24 of the report. **While the Advisory Committee appreciates the wealth of detail provided by IMIS, the information is of limited value. The Committee would have liked to see the Office of Human Resources Management take a more analytical approach in the preparation of the report. In this connection, the Committee recalls that the Board of Auditors identified some 10 problem areas associated with the hiring of consultants and individual contractors that could have been addressed.[4] The General Assembly, in its resolutions 53/221 and 57/305 and the staff representatives, in their paper (see A/C.5/59/4, paras. 67-71), have also identified a number of issues that need attention. The Committee requests the Office to broaden the scope of the report in future to include more analysis and to assess the compliance of practice in hiring of experts and consultants with existing rules and regulations.**

60. The General Assembly has stipulated, inter alia, that consultants should be used where expertise is not available within the Organization, and this has been repeatedly referred to by the Advisory Committee in its reports on the regular budget and on peacekeeping operations. There is, however, at present no way to monitor this. The enhanced monitoring capacity of the Office of Human Resources Management (see para. 9 above) should enable this problem to be addressed so that a satisfactory solution may be found.

61. Upon enquiry concerning the results of the staff skills inventory carried out in 1998, the Advisory Committee was informed that the response level was relatively low and that problems were encountered with the technology used to gather the data. The Committee understands that a new skills inventory is planned for the near future. **The Committee urges the Office of Human Resources Management to complete this project expeditiously.**

IX. Employment of retired former staff

62. The Advisory Committee notes from the report of the Secretary-General on employment of retired former staff (A/59/222) that compared with the biennium 2000-2001, the number of engagements of retirees increased by 65 per cent, the number of days worked increased by 99 per cent and the fees and salaries rose by 156 per cent. The reasons for the increases can be grouped into two broad categories. First, conference services in major duty stations experienced an increase in the number of meetings and required documentation at a time when there was a simultaneous increase in the number of retirements. Secondly, major increases in peacekeeping activities and humanitarian presence in the field required a rapid reinforcement of backstopping capacity in the relevant departments. Many new posts were authorized for this purpose and were temporarily filled with retirees,

pending appointment of candidates through the regular selection process. In this connection, the Committee notes that the number of retirees hired to perform substantive functions in the biennium 2002-2003 increased by 254 per cent in comparison with 2000-2001 (ibid., paras. 13, 21 and 22).

63. The Advisory Committee was given to understand that some staff, upon reaching retirement age, are recruited and given the option to re-enter the Pension Fund, and that once this occurs, they are no longer listed as retirees. Nonetheless, these persons occupy posts, which, with better planning, could be used for rejuvenation of the system. **The Committee cautions that the hiring of retirees to meet immediate organizational requirements does not obviate the need for proper succession planning. Progress in the streamlining of the staff selection process (see paras. 12-19 above) should also have an impact on the need for retirees.**

X. Rejuvenation

64. The Advisory Committee notes from the report of the Secretary-General on the composition of the Secretariat (A/59/299, para. 54) that as at 30 June 2004 the average age of the staff was 46 years, which is the same as it was on 30 June 2003. More than 57 per cent of all Secretariat staff are older than 45. The Committee is concerned that the need for rejuvenation of the staff of the Secretariat is not being given enough attention. The Committee recalls, in this connection, that the General Assembly, in its resolution 57/305 requested the Secretary-General to examine the factors that inhibit the selection of young people and to report accordingly to the Assembly at its fifty-ninth session (sect. II, para. 46).

65. **The Advisory Committee recommends that greater efforts be made to hire qualified and skilled young persons to carry out the functions that the Secretariat is using retired staff for. As noted above, the number of entry-level Professional positions in the Secretariat is low. This may mean that levels of posts to be vacated by retirees will need to be re-evaluated prior to initiating recruitment procedures.**

XI. Improvement of equitable geographical representation in the Secretariat

66. The Advisory Committee welcomes the efforts made to improve equitable geographical representation in the Secretariat (see A/59/264). It notes that the number of non-represented Member States declined from 28 in 1994 to 15 in 2004, while the number of underrepresented Member States decreased from 25 in 1994 to 10 in 2004 (ibid., table 1). The Committee was informed that the number of overrepresented Member States had increased from 20 in 1994 to 21 in 2004. At the same time, the Committee notes that recruitments for posts subject to geographical distribution from non-represented and underrepresented Member States averaged 21 per cent, fluctuating between a high of 33.3 per cent and a low of 10 per cent in the past 11 years (ibid., table 3). **The Committee trusts that the measures that are being taken to improve equitable geographical representation will be pursued vigorously and will have concrete results.**

67. With regard to recruitment through the national competitive examinations, the Committee notes that out of 534 successful candidates in the past 10 years, 141 came from non-represented and underrepresented Member States (ibid., para. 8). The Committee welcomes the introduction of the "fast track" recruitment procedure for positions at the P-4 level and above, whereby internal and external candidates from non-represented and underrepresented Member States who have been endorsed by the central review bodies are placed on a special roster, which will be made available to programme managers with vacancies at the P-4 level and above. If a suitable candidate is found from the roster, such a candidate would be recruited without the issuance of a vacancy announcement (ibid., paras. 21 and 22). **In this connection, the Advisory Committee welcomes the establishment of a focal point at the P-5 level in the Office of Human Resources Management to work closely with departments, candidates and Member States (ibid., para. 24).** The Advisory Committee notes that in paragraph 23 of his report, the Secretary-General proposed that Member States designate focal points within their permanent missions to work with the Secretariat on various aspects of increasing their representation.

XII. Improving gender distribution

68. The Advisory Committee notes from the reports of the Secretary-General on improving gender distribution in the Secretariat (A/59/263/Add.2) and improvement of the status of women in the United Nations system (A/59/357) that progress in the attainment of the goal of 50/50 gender distribution in all categories of posts within the United Nations system has been slow. In the United Nations Secretariat, as at 30 June 2004, the representation of women at the D-1 level and above with appointments of one year or more had increased since 30 June 2003 by 3.4 per cent, from 25.6 to 29 per cent. In the P-1 to P-5 levels, the representation of women increased by 1.6 per cent, from 36.7 to 38.3 per cent (see A/59/357, table 1). Women constitute the majority of the staff members in the General Service category, with 62 per cent as at 30 June 2004, and in the P-1 category, with 83.3 per cent (however, there are only 6 P-1 posts Secretariat-wide). While these figures represent modest gains, table 3 of document A/59/357 shows that the figures for annual average percentage change in the representation of women with appointments of one year or more in the Professional and higher categories for the period from 1998 to 2004 are very low, with the highest being 3.2 per cent at the P-1 level, the next highest 1.8 for the D-2 level, and the lowest being a negative average annual percentage change for staff at the P-4 level.

69. The Advisory Committee notes that the percentage of women appointed at the Under-Secretary-General level decreased from 20.0 per cent in the period from July 2002 to June 2003 to 14.3 per cent in 2003-2004. At the Assistant Secretary-General level, the percentage of women appointed increased from 28.6 per cent in 2002/03 to 33.3 per cent in 2003/04 (ibid., table 4). **The Advisory Committee encourages the Secretary-General to continue his efforts towards achieving gender parity, including at the Under-Secretary-General and Assistant Secretary-General levels. Care must be taken, however, to ensure that such efforts do not unduly affect the timely filling of vacancies and are in conformity with Article 101, paragraph 3, of the Charter of the United Nations.**

Notes

[1] See, for example, *Official Records of the General Assembly, 58th Session, Supplement No. 76* (A/58/7) para. VIII.29.

[2] Ibid., para. 30.

[3] Ibid., para. 66.

[4] Ibid., *Fifty-ninth Session, Supplement No. 5* (A/59/5), vol. I, chap. II, paras. 255 and 256.

Annex I

Average timelines for filling of vacancies and ways to improve

Actions performed	*Responsibility*	*Average number of days*	*Ways to shorten the timeline*
Executive officer assigns vacancy to manager	Executive or administrative office	1	(a) Wider use of generic job profiles
Manager builds the vacancy/evaluation criteria	Programme manager	14	(b) Ongoing briefings for managers, central review body members and staff
Programme manager submits the vacancy/evaluation criteria for human resources review	Programme manager	5	(c) Enhanced translation capacity
Human resources submits the vacancy/evaluation criteria to central review body	Human resources officer	4	
Central review body approves the evaluation criteria	Central review body	7	
Human resources officer sends the vacancy for translation (Professional level only)	Translation service	14	
Human resources officer posts the vacancy on the Internet	Human resources officer	2	(d) Reduction of advertisement time from 60 to 45 days
Human resources officer reviews applicants from the date of advertising	Human resources officer	ongoing	(e) Continued improvement in the application of screening tool in Galaxy
Human resources officer submits 15-day eligible candidates to the programme case officer	Human resources officer	7	
Programme case officer reviews 15-day candidates	Programme manager	14	
Human resources officer submits 30-day eligible candidates to the programme case officer	Human resources officer	17	
Programme manager reviews 30-day eligible candidates	Programme manager	20	
Human resources officer submits 60-day eligible candidates to the manager	Human resources officer	25	

Actions performed	*Responsibility*	*Average number of days*	*Ways to shorten the timeline*
Programme manager reviews 60-day eligible candidates	**Programme manager**	27	
Programme manager recommends suitable applicants to head of department	**Programme manager**	5	
Head of department recommends applicants to the central review body for endorsing	**Head of department**	2	
Central review body endorses applicants	**Central review body**	6	
Head of department selects candidate from central review body endorsed applicants	**Head of department**	4	

Annex II

Number of General Service posts classified by level as at 7 October 2004

Grade	*Other level*	*Principal level*	*Total*
G-1	2		2
G-2	9		9
G-3	103		103
G-4	1 714		1 714
G-5	456		456
G-6	332		332
G-7		265	265
Total	**2 616**	**265**	**2 881**

Annex III

Special operations approach

- United Nations funds and programmes and separately administered office(s) using the special operations approach:

  United Nations Development Programme, United Nations Children's Fund, United Nations Population Fund, United Nations Office for Project Services, Office of the United Nations High Commissioner for Refugees.

  The World Food Programme has approved the approach and is in the process of implementing it.

- Rationale and brief description of the special operations approach:

  The special operations approach recognizes the fact that staff members in non-family duty stations (security phase III and above) need to maintain a separate household outside of the duty station, and that the employer organization should facilitate reunion of the family by giving the staff the option of installing their families in a location with appropriate facilities situated near the actual place of work. This is the administrative place of assignment. The administrative place of assignment becomes the official duty station of the staff member who is then considered to be on mission detail to the non-family location.

- Comparison with mission staff of the Department of Peacekeeping Operations

Special operations approach	*Mission appointees, 300 series*	*Mission appointees, 100 series*
Base salary and annual increments	Base salary	Base salary and annual increments
	Service allowance	
Dependency benefits		Dependency benefits
Post adjustment (administrative place of assignment rate)		
Rental subsidy (at administrative place of assignment rate)		
Mobility and Hardship (administrative place of assignment rate)		
Assignment grant to administrative place of assignment		
Hazard pay	Hazard pay	Hazard pay
Special operations living allowance	Mission subsistence allowance	Mission subsistence allowance
Education grant		Education grant

Special operations approach	*Mission appointees, 300 series*	*Mission appointees, 100 series*
Travel to administrative place of assignment for family for assignments of one year or longer		
Home leave	Travel allowance	Home leave
Family visit travel		Family visit travel
Unaccompanied shipment or relocation grant ($10,000 single rate, $15,000 family rate for assignments of one year or longer, or extended beyond one year)	Unaccompanied shipment (100 kg or $1,200 for appointments of less than one year)	Unaccompanied shipment (100 kg or $1,200)
Repatriation grant		Repatriation grant

Annex IV

Breakdown of financial implications by fiscal year

(United States dollars)

	Number of staff			*Amount*		
Fiscal year	*Peacekeeping missions*	*Special political missions*	*Total*	*Peacekeeping missions*	*Special political missions*	*Total*
2003/04	39	4	43	446 381	42 970	489 351
2004/05	357	9	366	3 702 174	94 573	3 796 747
2005/06	313	23	336	3 305 446	266 063	3 571 509
2006/07	299	55	354	3 226 774	614 042	3 840 816
2007/08	369	57	426	4 016 720	664 775	4 681 495
2008/09	10	-	10	120 082	-	120 082
	1 387	**148**	**1 535**	**14 817 577**	**1 682 423**	**16 500 000**

Annex V

Comparison of salaries at the P-4 level

(in United States dollars)

P-4, dependent spouse plus one child

	300 Series at P-4/A (dependency rate)	*100 Series at P-4/1 (dependency rate)*	*Difference*
Salary	58 041	62 327	4 286
Service allowance	11 515	0	(11 515)
Organization's pension contribution	17 842	17 842	1 642
Dependency allowance	0	1 936	1 936
Education grant	0	11 115	11 115
Family visit travel	0	2 500	2 500

P-4, single rate

	300 Series at P-4/A	*100 Series at P-4/1*	*Difference*
Salary	58 041	58 041	0
Service allowance	4 063	0	(4 063)
Organization's pension contribution	17 842	17 842	0
Dependency allowance	0	0	0
Education grant	0	0	0
Family visit travel	0	0	0

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United Nations pension system

Report of the Advisory Committee on Administrative and Budgetary Questions

I. Introduction

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the United Nations Joint Staff Pension Board,[1] including the report of the Board of Auditors on the accounts of the Fund for the biennium ended 31 December 2003.[2] The Committee also had before it the report of the Secretary-General on the investments of the United Nations Joint Staff Pension Fund (A/C.5/59/11). During its consideration of those reports, the Committee met with the Chairman of the Pension Board, representatives of the Secretary-General and the Chief Executive Officer of the Pension Fund and his colleagues.

2. Recommendations and decisions of the Board at its fifty-second session that required action by the General Assembly are listed in paragraph 11 of the report of the Pension Board.[1] Information provided by the Board for information are listed in paragraph 12 of the report. The Committee notes from paragraphs 4-6 of the report that the Pension Board dealt comprehensively with a large number of issues, some of which require further analysis and which are to be considered by the Standing Committee next year. **In the opinion of the Advisory Committee, the report could be streamlined by presenting certain details and statistics in annexes; this would apply especially to a number of the issues presented in chapter IV on actuarial matters, chapter V on investments of the Fund, chapter VI on the biennial financial statements and chapter VIII on benefit provisions of the Fund.**

II. Actuarial matters

3. Paragraphs 16-67 of the report of the Pension Board[1] deal with actuarial matters, including the results of the twenty-seventh actuarial valuation of the Fund as at 31 December 2003. The previous valuation had been prepared as at

31 December 2001, and its results were reported to the General Assembly at its fifty-seventh session in 2002.[3] The actuarial valuation determines whether the present and estimated future assets of the Pension Fund will be sufficient to meet its liabilities. For the twenty-seventh regular valuation, the Committee of Actuaries proposed and the Pension Board approved the 4.5/7.5/4 set of assumptions (i.e., a 4.5 per cent annual increase in pensionable remuneration, a 7.5 per cent nominal interest rate and a 4 per cent annual inflation rate with respect to increases in pensions after award) (see report of the Pension Board,[1] para. 21).

4. The results of the twenty-seventh valuation showed an actuarial surplus of 1.14 per cent of pensionable remuneration, or $1,949.6 million in dollar terms, showing the fourth consecutive positive actuarial result over the past decade (ibid., table 5). Based on the results of the regular valuation, the Pension Board agreed with the view of the Committee of Actuaries that the present contribution rate of 23.7 per cent of pensionable remuneration was sufficient to meet the benefit requirements under the plan (ibid., para. 39). The Advisory Committee was provided with a table showing the evolution of the actuarial valuation of the Fund since 1976 in both absolute terms and as a percentage of projected liabilities (see annex below). **The Advisory Committee reiterates its previous view and agrees with the Committee of Actuaries that the present contribution rate of 23.7 per cent should be retained. In this connection, the Committee again recalls the provisions of General Assembly resolution 53/210 of 18 December 1998 that the Pension Board should continue to monitor closely the evolution of the actuarial valuation of the Pension Fund and that no attempt should be made to reduce the present rate of contributions to the Fund or change any other features unless and until a pattern of surpluses emerges in future valuations (see A/57/490, para. 4).**

III. Investments of the Pension Fund

5. For the reporting period, the market value of the Fund's assets increased to $26,589 million on 31 March 2004 from $21,789 million on 31 March 2002, an increase of $4,800 million, or 22.0 per cent. The total annualized rate of return for the period was 8.7 per cent (see report of the Pension Board,[1] para. 77). The Advisory Committee was informed that as at 1 September 2004, the market value of the Fund was approximately $26.2 billion. The Committee notes the positive investment performance over the reporting period. Over the past 20 years, the Fund has achieved a cumulative return of 10.7 per cent, slightly outperforming the benchmark (10.6 per cent) (see ibid., para. 80). **Moreover, being aware that the market value of the Fund is subject to fluctuation,[4] the Committee continues to emphasize that all investments of the Fund must meet the criteria of safety, profitability, liquidity and convertibility. This investment policy has been advocated repeatedly by the Committee, the Pension Board and the General Assembly.**

6. Taking into account the investment principles mentioned above, pursuant to General Assembly resolution 36/119 of 10 December 1981, the Fund increased its investments in developing countries, which totalled $1.7 billion on 31 March 2004 as compared with $1.1 billion as at 31 March 2002, an increase of 55 per cent (see report of the Pension Board,[1] para. 84, and A/C.5/59/11, paras. 24-25). The Fund's policy of broad diversification in terms of asset class, currency and region

contributed to the goal of reducing risk in the portfolio across currencies and markets (see A/C.5/59/11, paras. 11-14).

7. Investment in real estate contributed to the Fund's diversification, with 7 per cent of its assets targeted for such investments (see report of the Pension Board,[1] para. 90). In this connection, the Committee notes that the direct real estate investment in a building at 222 East 41st Street in New York City is discussed in paragraphs 81-86 of the report of the Board of Auditors on the accounts of the Fund.[2] The Fund sold the property at a profit of approximately $30.6 million, with an annualized return of about 10 per cent on the sale. **The Advisory Committee, however, agrees with the finding of the Board of Auditors that the purchase of the building could have been conducted in a more transparent manner (ibid., paras. 83 and 86). The Committee trusts that in future, real estate investment transactions will be conducted in the same transparent manner as those relating to equity investments. The Committee also endorses the view of the Board of Auditors that the Investment Manual and other guidelines of the Investment Management Service of the Pension Fund should be amended prior to transactions being undertaken rather than retroactively.**

8. The Advisory Committee was informed that efforts had been initiated for a restructured Investment Management Service, including a thorough review of its current policies, procedures and practices. To that end, a comprehensive study has started, building on the findings and recommendations of previous audits and reviews (see also A/58/725, paras. 7-13). The Committee was informed that the procedures of the Investment Management Service adhered to industry standards and that its staff complied with ethical standards established by the Association for Investment Management and Research, now called the CFA Institute (ibid., para. 15).

9. The Advisory Committee was also informed that, as suggested by both the internal auditors and the United Nations Board of Auditors, the Fund planned to change the structure of the custodial arrangements of the Fund. At present, the assets of the Fund are held in custody in various depositories in countries in which the Fund has investments and are registered in the name of the United Nations on behalf of the Pension Fund. The assets are further segregated from other assets held by three regional custodians. A master record keeper of the Fund is responsible for consolidating the accounting records and management reports provided by the custodians. As the contracts of the master record keeper and the custodians expire early next year, the Investment Management Service is seeking an arrangement with one master record keeper/custodian instead of the current configuration. The selection process for the new master record keeper/custodian has been initiated.

IV. Investments Committee

10. Article 20 of the regulations of the Fund provides that members of the Investments Committee shall be appointed by the Secretary-General after consultation with the Pension Board and the Advisory Committee on Administrative and Budgetary Questions, subject to confirmation by the General Assembly. The Secretary-General informed the Pension Board and the Advisory Committee that two long-serving members had informed him that they would no longer be available to serve on the Committee and that another member of the Investments Committee

had submitted his resignation in July, with effect from December 2004. The Secretary-General also conveyed to the Board and the Advisory Committee the name of a member of the Investments Committee whom he intended to propose to the Assembly for reappointment for an additional three-year term, the names of two new regular members proposed for appointment for three-year terms beginning on 1 January 2005 and the name of an ad hoc member proposed for appointment as a regular member to fill the remainder of the term of the member who had submitted his resignation, which is due to expire on 31 December 2006. The Advisory Committee has written in this regard to the Secretary-General to convey its concurrence.

11. The Advisory Committee was informed that the role, responsibility and functions of the Investments Committee had been reviewed, the terms of reference had been prepared and criteria for the membership had been specified. **In agreement with the views of the Pension Board, and taking into account the Fund's policy of broad diversification of its investments by currency, type of asset class and geographical area, the Committee encourages the Secretary-General to appoint, as members of the Investments Committee, individuals from various regions of the world who have extensive experience with investments of the various asset classes included in the portfolio of the Fund.**

V. Financial statements of the Fund and report of the Board of Auditors

12. The Pension Board examined and approved the financial statements and related data on the operations of the Fund for the biennium ended 31 December 2003 and considered the report of the Board of Auditors on the accounts and operations of the Fund (report of the Pension Board,[1] para. 5). The Committee notes that the information presented in the summary of the operations of the Fund (ibid., paras. 13-15) does not include figures for total expenditures for benefits, administration and investment costs.

13. The report of the Board of Auditors[2] covers matters that in its opinion should be brought to the attention of the Pension Board and of the General Assembly (see para. 8 of that report). The Advisory Committee notes from paragraphs 11 and 12 of the report that as at May 2004, out of 27 recommendations made by the Board of Auditors for the biennium ended 31 December 2001, 11 recommendations had been only partially implemented and 9 had not been implemented. The Committee was informed that some of the recommendations not yet implemented by the Fund related to the streamlining of the Fund's banking methods and procedures. Those recommendations will be implemented after the new banking arrangements become fully operational in early 2005. **The Advisory Committee shares the concern of the Board of Auditors and stresses the need to comply fully and in a timely manner with the recommendations of the Board of Auditors, as approved by the General Assembly.**

14. The internal audit arrangements of the Pension Fund are discussed in paragraphs 111-117 of the report of the Pension Board.[1] The Advisory Committee notes that, taking into account the observations contained in the Committee's report to the General Assembly at its fifty-seventh session (A/57/490, para. 26), the Board of Auditors carried out an assessment of the capacity and professional expertise

required by the Office of Internal Oversight Services in order to provide internal audit services to the administrative and investment activities of the Pension Fund in accordance with commonly accepted industry standards for the audit of pension funds. The Committee notes the steps taken towards resolving the problem of internal audit arrangements of the Fund, as set out in paragraphs 114-143 of the report of the Board of Auditors.[2] The Advisory Committee notes that the Pension Board has welcomed the new spirit of cooperation and working arrangements between the Office of Internal Oversight Services and the Pension Fund. The Advisory Committee was provided with a copy of the Internal Audit Charter of the Fund, as approved by the Pension Board.

15. In a related matter, the Board of Auditors recommended that the Pension Fund establish an ethics compliance officer function (ibid., para. 113). The Advisory Committee notes that, in agreement with the recommendation of the external auditors, a proposal for appropriate staffing will be submitted to the Standing Committee in 2005 as part of the Fund's 2006-2007 budget proposal (see report of the Pension Board,[1] para. 122). Furthermore, the Board of Auditors noted in paragraph 127 of its report[2] that the internationally recognized standards of the Institute of International Auditors had been adopted by the Office of Internal Oversight Services. They require that the auditors be free of interference in determining the scope of internal audit, but that the internal audit function should report to and receive functional guidance from an audit committee, as well as senior management.

16. The Board of Auditors pointed out that the Fund did not have an audit committee and that the Pension Board was not structured to act in this capacity because of its size, its composition and the frequency of its meetings. In the opinion of the Board of Auditors, such a committee could have prevented or solved past difficulties. Thus, the Board of Auditors, in paragraphs 128 and 129 of its report,[2] has recommended the establishment of an audit committee under article 49 (a) of the Fund's Regulations, taking into account paragraph 6, on governance review, of General Assembly resolution 57/278 A of 20 December 2002. The Advisory Committee notes from paragraph 116 of the report of the Pension Board[1] that the Board deferred taking a decision on the establishment of an audit committee and that the Standing Committee will re-examine the issue in 2005 on the basis of study to be prepared by the secretariat of the Fund on the desirability, possible terms of reference and all other relevant aspects of such a committee. **The Advisory Committee believes that should the Pension Board recommend the establishment of an audit committee, it should be composed of members with relevant experience in internal audit in other United Nations entities and other pension plans.**

VI. Benefit provisions of the Fund

17. Benefit provisions of the Fund are discussed in paragraphs 142-199 of the report of the Pension Board.[1] The Advisory Committee notes that the Pension Board concurred with the recommendation of the Committee of Actuaries to exercise prudence in the use of the actuarial surplus. **The Committee also agrees with this view.** Taking into account the positive results of the actuarial valuation, the Pension Board agreed to recommend to the General Assembly two measures representing a total actuarial cost of about 0.15 per cent of pensionable remuneration, thus

maintaining a margin of about 1.0 per cent as a cushion against future actuarial and financial fluctuations (see ibid., paras. 146-149). **The Committee agrees with the recommendations of the Pension Board regarding those proposals, as discussed further below.**

18. **The Advisory Committee agrees with the first measure proposed by the Pension Board that the General Assembly approve a phased approach in the elimination of the 1.5 per cent reduction in the first consumer price index adjustments due after retirement (ibid., paras 11 (a) and 146-147).**

19. **The Advisory Committee also agrees with the second recommendation of the Pension Board that the Pension Adjustment System be amended to provide for an adjustable minimum guarantee on the local-currency track of 80 per cent of the United States dollar-track amount, with effect from 1 April 2005, on a prospective basis only. This measure would have an estimated actuarial cost of 0.005 per cent of pensionable remuneration (ibid., paras. 11 (a), 149 and 182).**

VII. Revised budget estimates for the biennium 2004-2005

20. The Pension Board considered the revised budget estimates for the biennium 2004-2005 and approved a request for additional resources in the amount of $5,340,700 for construction costs ($3,600,000) and acquisition of furniture and equipment ($1,500,000) for the Fund's new office accommodations and for general temporary assistance ($240,700) relating to additional workload due to the implementation of the recommendations on benefit provision adjustments. Funds in the amount of $5,100,000 approved for 2002-2003 for renovation work and the acquisition of furniture and equipment for the Fund's new office accommodations were not spent in 2002-2003, as the lease and arrangements for the new office were not concluded during the period (see ibid., para. 134). **The Advisory Committee agrees with the recommendation of the Pension Board that the General Assembly approve additional resources in the amount of $5,340,700 for the biennium 2004-2005 for administrative costs of the Fund. The revised estimates for total administrative costs of the Fund would amount to $41,011,800 for the biennium 2004-2005 (ibid., para. 11 (c)).**

21. The Advisory Committee notes from paragraph 109 of the report of the Pension Board[1] that members of the Board have asked about the recent increases in administrative costs. The Committee also notes that the Board of Auditors, in paragraphs 91-93 of its report,[2] has indicated that bank charges related to operations still appear as investment costs, although they are more properly considered as administrative costs. Total administrative costs amounted to $18.1 million in the biennium 2000-2001. The revised estimates for 2004-2005 would amount to $41.0 million, as indicated above (see ibid., para. 88). **The Committee remains concerned about the upward trend in administrative expenditures of the Fund and intends to revert to the matter in the context of its examination of the administrative budget proposal of the Fund for the biennium 2006-2007.**

VIII. Other matters

22. Among the other matters considered and recommended in the report of the Pension Board[1] for approval by the General Assembly are the following:

(a) Approval of the revised transfer agreement concluded two years ago between the Pension Fund and the Organization for Security and Cooperation in Europe, which would supersede, effective 1 January 2005, the current transfer agreement between the two pension plans (paras. 11 (d) and 211-213);

(b) Approval of the proposed new transfer agreement between the Pension Fund and the World Trade Organization, to replace and supersede the existing agreement, with effect from 1 January 2005 (paras. 11 (e) and 217);

(c) Approval of the admission of the Inter-Parliamentary Union as a member of the Pension Fund, subject to the Fund's Secretary/Chief Executive Officer confirming to the General Assembly that the Union has fully satisfied all conditions for membership in the Fund (paras. 11 (f) and 224);

(d) Approval of the proposed new transfer agreements between the Pension Fund and the Universal Postal Union and the Preparatory Commission for the Comprehensive Nuclear-Test-Ban Treaty Organization.[5]

The Advisory Committee agrees with the recommendations of the Pension Board.

23. The Committee was informed, upon request, that the Committee of Actuaries had examined the proposed transfer agreements with the Organization for Security and Cooperation in Europe and the World Trade Organization, as well as the application for a new membership by the Inter-Parliamentary Union and concluded that they did not entail any additional actuarial costs to the Fund. The Committee was informed that when a new organization joined the Pension Fund as a member organization, its staff entered the Fund only as from the date on which the organization joined; thus, the staff are absorbed within the large, overall risk pool composed of all the Pension Fund participants, without any actuarial impact or consequences. Agreements can be negotiated by the Fund with new member organizations for the recognition of past service performed by the staff joining the Pension Fund, but only on the basis of the payment of full actuarial costs (as determined by the Fund's consulting actuary and the Committee of Actuaries). **The Advisory Committee recommends that the General Assembly approve the recommendations of Pension Board.**

24. The Advisory Committee notes from paragraphs 200-206 of the report of the Pension Board[1] that the Board also considered the issue of its size and composition and the size and composition of its Standing Committee. It requested that the matter be further studied and that a progress report be submitted to the Standing Committee in 2005 and a full report to the Board in 2006.

Notes

[1] To be issued as *Official Records of the General Assembly, Fifty-ninth Session, Supplement No. 9* (A/59/9).

[2] Ibid., annex XI.

[3] *Official Records of the General Assembly, Fifty-seventh Session, Supplement No. 9* (A/59/9).

[4] For example: $26.3 billion at 27 March 2000; $19.6 billion at 9 October 2002; $27.1 billion at 17 February 2004; $26.6 billion at 31March 2004; $26.2 billion at 1 September 2004.

[5] To be issued as *Official Records of the General Assembly, Fifty-ninth Session, Supplement No. 5, addendum 1* (A/59/9/Add.1).

Annex

Evolution of the actuarial deficit (surplus) of the United Nations Joint Staff Pension Fund since 1976

Valuation date	*Regular valuation economic assumptions*[a]	*Required rate of contribution*[b]	*Deficit (surplus)*		
			As a percentage of pensionable remuneration	*Amount (millions of US dollars)*	*As percentage of projected liabilities*
31 December 1976[c]	3.5/7.5/3	19.95	(1.05)[d]	(225.0)	3.0
31 December 1978	3.5/7.5/3	21.37	0.37[d]	121.7	1.4
31 December 1980	6.5/9/6	27.82	6.82[d]	5 315.7	22.01
31 December 1982	6.5/9/6				
(a) Before changes on 1 January 1983		29.41	8.41[d]	7 057.6	25.6
(b) After changes on 1 January 1983		25.79	4.79[d]	4 018.4	16.4
31 December 1984	6.5/9/6				
(a) Before changes on 1 January 1984 and 1 January 1985		25.94	4.94[d]	4 490.6	16.5
(b) After changes on 1 January 1984 and 1 January 1985		24.76	3.01[e]	2 734.3	10.4
31 December 1986	6.5/9/6	26.15	4.40[e]	3 187.2	13.2
31 December 1988	6.5/9/6	26.21	3.71[f]	3 133.4	10.9
31 December 1990	6.5/9/6	24.27	0.57[g]	641.0	1.8
31 December 1993	6.5/9/6	25.19	1.49[g]	1 857.1	4.3
31 December 1995	5.5/8.5/5, with 1.9 per cent cost of two-track system	25.16	1.46[g]	1 688.7	4.0
31 December 1997	(same as 1995)	23.34	(0.36)[g]	(417.3)	1.0
31 December 1999	(same as 1995)	19.45	(4.25)[g]	(5 278.6)	11.5
31 December 2001	(same as 1995)	20.78	(2.92)[g]	(4 284.4)	8.0
31 December 2003	4.5/7.5/4, with 1.9 per cent cost of two-track system	22.56	(1.14)[g]	(1 949.6)	3.1

[a] Since 1978, valuations have been carried out on a fully dynamic basis, that is, inflation is assumed to continue indefinitely in the future. The three economic assumptions (expressed as percentages) are: annual increase in pensionable remuneration; nominal interest rate; and annual inflation rate.
[b] Percentage of pensionable remuneration.
[c] Estimated result, showing a surplus, had the 1976 valuation been carried out on a fully dynamic basis.
[d] Difference from contribution rate of 21 per cent.
[e] Difference from contribution rate of 21.75 per cent.
[f] Difference from contribution rate of 22.50 per cent.
[g] Difference from contribution rate of 23.70 per cent.

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Programme budget for the biennium 2004-2005

Report of the Fifth Committee

Rapporteur: Mrs. Denisa **Hutanova** (Slovakia)

I. Introduction

1. At its 2nd plenary meeting, on 17 September 2004, the General Assembly, on the recommendation of the General Committee, decided to include in the agenda of its fifty-ninth session the item entitled "Programme budget for the biennium 2004-2005" and to allocate it to the Fifth Committee.

2. The Fifth Committee considered the question of the United Nations support to the Cameroon-Nigeria Mixed Commission under agenda item 108 at its 5th, and 9th meetings, on 11 and 15 October 2004. Statements and observations made in the course of the Committee's consideration of the question are reflected in the relevant summary records (A/C.5/59/SR.5 and 9).

3. For its consideration of the question, the Committee had before it the report of the Secretary-General on the estimates in respect of special political missions, good offices and other political initiatives, authorized by the General Assembly and/or the Security Council (A/58/886) and the report of the Advisory Committee on Administrative and Budgetary Questions (A/59/411 and Corr.1).

II. Consideration of draft resolution A/C.5/59/L.3

4. At its 9th meeting, on 15 October, the Committee had before it a draft resolution, entitled "Estimates in respect of special political missions, good offices and other political initiatives authorized by the General Assembly and/or the Security Council: United Nations support to the Cameroon-Nigeria Mixed Commission" (A/C.5/59/L.3), which was submitted by the Chairman on the basis of informal consultations coordinated by the representative of Austria.

5. At the same meeting, before the adoption of the draft resolution, the Director of the Programme Planning Budget Division provided the Committee with the

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Secretariat's understanding of operative paragraph 3 of the draft resolution (see A/C.5/59/SR.9).

6. Also at the same meeting, the Committee adopted draft resolution A/C.5/59/L.3 without a vote (see para. 7).

III. Recommendation of the Fifth Committee

7. The Fifth Committee recommends to the General Assembly the adoption of the following draft resolution:

Estimates in respect of special political missions, good offices and other political initiatives authorized by the General Assembly and/or the Security Council: United Nations support to the Cameroon-Nigeria Mixed Commission

The General Assembly,

Recalling its resolution 58/294 of 18 June 2004, in which it authorized a commitment authority in the amount of 6 million United States dollars for the United Nations support to the Cameroon-Nigeria Mixed Commission,

Having considered the report of the Secretary-General on the estimates in respect of special political missions, good offices and other political initiatives authorized by the General Assembly and/or the Security Council[1] and the related report of the Advisory Committee on Administrative and Budgetary Questions,[2]

1. *Takes note* of the revised requirements for the United Nations support to the Cameroon-Nigeria Mixed Commission for the period from 1 June to 31 December 2004, which amount to 5,419,300 dollars;

2. *Endorses* the observations and recommendations of the Advisory Committee on Administrative and Budgetary Questions, and approves the charging of 5,419,300 dollars against the unallocated balance of funds appropriated under section 3, Political affairs, of the programme budget for the biennium 2004-2005,[3] for special political missions;

3. *Requests* the Secretary-General to ensure that budget presentations for special political missions, to the extent possible, utilize the format of peacekeeping operations and contain information and justification for proposals for post and non-post requirements, subject to the considerations of timeliness and the need for expeditious financing action.

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[1] A/58/886.
[2] A/59/411 and Corr.1.
[3] A/58/6 (Sect. 3).